

SECOND REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 1527

96TH GENERAL ASSEMBLY

5278L.03P

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 513.430 and 513.440, RSMo, and to enact in lieu thereof two new sections relating to property exempt from attachment.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 513.430 and 513.440, RSMo, are repealed and two new sections
2 enacted in lieu thereof, to be known as sections 513.430 and 513.440, to read as follows:

513.430. 1. The following property shall be exempt from attachment and execution to
2 the extent of any person's interest therein:

3 (1) Household furnishings, household goods, wearing apparel, appliances, books,
4 animals, crops or musical instruments that are held primarily for personal, family or household
5 use of such person or a dependent of such person, not to exceed three thousand dollars in value
6 in the aggregate;

7 (2) A wedding ring not to exceed one thousand five hundred dollars in value and other
8 jewelry held primarily for the personal, family or household use of such person or a dependent
9 of such person, not to exceed five hundred dollars in value in the aggregate;

10 (3) Any other property of any kind, not to exceed in value six hundred dollars in the
11 aggregate;

12 (4) Any implements or professional books or tools of the trade of such person or the
13 trade of a dependent of such person not to exceed three thousand dollars in value in the
14 aggregate;

15 (5) Any motor [vehicle in the aggregate] **vehicles**, not to exceed three thousand dollars
16 in value **in the aggregate**;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 (6) Any mobile home used as the principal residence but not [on or] attached to real
18 property in which the debtor has a fee interest, not to exceed five thousand dollars in value;

19 (7) Any one or more unmatured life insurance contracts owned by such person, other
20 than a credit life insurance contract;

21 (8) The amount of any accrued dividend or interest under, or loan value of, any one or
22 more unmatured life insurance contracts owned by such person under which the insured is such
23 person or an individual of whom such person is a dependent; provided, however, that if
24 proceedings under Title 11 of the United States Code are commenced by or against such person,
25 the amount exempt in such proceedings shall not exceed in value one hundred fifty thousand
26 dollars in the aggregate less any amount of property of such person transferred by the life
27 insurance company or fraternal benefit society to itself in good faith if such transfer is to pay a
28 premium or to carry out a nonforfeiture insurance option and is required to be so transferred
29 automatically under a life insurance contract with such company or society that was entered into
30 before commencement of such proceedings. No amount of any accrued dividend or interest
31 under, or loan value of, any such life insurance contracts shall be exempt from any claim for
32 child support. Notwithstanding anything to the contrary, no such amount shall be exempt in such
33 proceedings under any such insurance contract which was purchased by such person within one
34 year prior to the commencement of such proceedings;

35 (9) Professionally prescribed health aids for such person or a dependent of such person;

36 (10) Such person's right to receive:

37 (a) A Social Security benefit, unemployment compensation or a [local] public assistance
38 benefit;

39 (b) A veteran's benefit;

40 (c) A disability, illness or unemployment benefit;

41 (d) Alimony, support or separate maintenance, not to exceed seven hundred fifty dollars
42 a month;

43 (e) Any payment under a stock bonus plan, pension plan, disability or death benefit plan,
44 profit-sharing plan, nonpublic retirement plan or any plan described, defined, or established
45 pursuant to section 456.072, the person's right to a participant account in any deferred
46 compensation program offered by the state of Missouri or any of its political subdivisions, or
47 annuity or similar plan or contract on account of illness, disability, death, age or length of
48 service, to the extent reasonably necessary for the support of such person and any dependent of
49 such person unless:

50 a. Such plan or contract was established by or under the auspices of an insider that
51 employed such person at the time such person's rights under such plan or contract arose;

52 b. Such payment is on account of age or length of service; and

53 c. Such plan or contract does not qualify under Section 401(a), 403(a), 403(b), 408, 408A
54 or 409 of the Internal Revenue Code of 1986, as amended, (26 U.S.C. 401(a), 403(a), 403(b),
55 408, 408A or 409);

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57 except that any such payment to any person shall be subject to attachment or execution pursuant
58 to a qualified domestic relations order, as defined by Section 414(p) of the Internal Revenue
59 Code of 1986, as amended, issued by a court in any proceeding for dissolution of marriage or
60 legal separation or a proceeding for disposition of property following dissolution of marriage by
61 a court which lacked personal jurisdiction over the absent spouse or lacked jurisdiction to
62 dispose of marital property at the time of the original judgment of dissolution;

63 (f) Any money or assets, payable to a participant or beneficiary from, or any interest of
64 any participant or beneficiary in, a retirement plan or profit-sharing plan that is qualified under
65 Section 401(a), 403(a), 403(b), 408, 408A or 409 of the Internal Revenue Code of 1986, as
66 amended, except as provided in this paragraph. Any plan or arrangement described in this
67 paragraph shall not be exempt from the claim of an alternate payee under a qualified domestic
68 relations order; however, the interest of any and all alternate payees under a qualified domestic
69 relations order shall be exempt from any and all claims of any creditor, other than the state of
70 Missouri through its division of family services. As used in this paragraph, the terms "alternate
71 payee" and "qualified domestic relations order" have the meaning given to them in Section
72 414(p) of the Internal Revenue Code of 1986, as amended. If proceedings under Title 11 of the
73 United States Code are commenced by or against such person, no amount of funds shall be
74 exempt in such proceedings under any such plan, contract, or trust which is fraudulent as defined
75 in [section 456.630] **subsection 2 of section 428.024** and for the period such person participated
76 within three years prior to the commencement of such proceedings. For the purposes of this
77 section, when the fraudulently conveyed funds are recovered and after, such funds shall be
78 deducted and then treated as though the funds had never been contributed to the plan, contract,
79 or trust;

80 (11) The debtor's right to receive, or property that is traceable to, a payment on account
81 of the wrongful death of an individual of whom the debtor was a dependent, to the extent
82 reasonably necessary for the support of the debtor and any dependent of the debtor.

83 2. Nothing in this section shall be interpreted to exempt from attachment or execution
84 for a valid judicial or administrative order for the payment of child support or maintenance any
85 money or assets, payable to a participant or beneficiary from, or any interest of any participant
86 or beneficiary in, a retirement plan which is qualified pursuant to Section 408A of the Internal
87 Revenue Code of 1986, as amended.

513.440. Each head of a family may select and hold, exempt from execution, any other
2 property, real, personal or mixed, or debts and wages, not exceeding in value the amount of one
3 thousand two hundred fifty dollars plus three hundred fifty dollars for each of such person's
4 unmarried dependent children under the age of [eighteen] **twenty-one** years or dependent as
5 defined by the Internal Revenue Code of 1986, as amended, determined to be disabled by the
6 Social Security Administration, except ten percent of any debt, income, salary or wages due such
7 head of a family.

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